

The Importance in Developing Professional Skills at the Workplace

Adisthy Shabrina Nurqamarani

Faculty of Economic
University 17 Agustus1945 Samarinda
Jl. Ir. H. Juanda No. 80 PO BOX 1052 Indonesia Telp/Fax: 0541 743390
adisthy.shabrina@gmail.com

ABSTRACT

This article contains an exploratory study of professional skills in global context. The aim of the study is to elaborate the importance of developing professional skills in the workplace as well as to explore the drivers of professional skills development. The methodology of study is based on literature review. The study examines the demand for professional skills development in global contexts and factor that shaping the demands using theoretical evidence. The result of the study showed that dynamic global environment has influenced the demand for professional skills, in terms of recruiting more skilled worker and employees who are highly initiative to develop their professional skill. Thus, it is necessary for individual and company to develop professional skills.

Keywords: Ethical Conduct, Professional Skill, Soft Skill.

INTRODUCTION

The dynamic global environment is argued has influence towards the demand for professional skills. According to Brynin (2002), there is evidence of considerable shift towards the use of skilled and more highly educated labour because of innovative workplace, intensive Research& Development as well as the rise of global expansion.

In addition, the relationship between economic growth and the

emerging of professional skill is prevalent. Both are interrelated. As supported by Kim (2014), high levels of investment in human capital and strong education systems are drivers of economic growth. Therefore, governments encourage their citizens to improve their education system and soft skills. Due to that, it can be assumed that beside the dynamic global environment, political and technological factors count for the

increase of demand for professional skills.

Kim (2014) also pointed out that US Former President Obama has authorised federal funding for cities and states to conduct job training programs via the Workforce Innovation and Opportunity Act, which stems from the wide recognition that the nation's workforce needs to be future-ready and that the widening skills gap needs to be addressed now more than ever. For developed countries, skills and good education systems are what differs them from developing countries that simply depend on physical capital.

The concept of developing professional skills grows rapidly in developed countries. Brown et al (2010) support this argument as they elaborate phenomena in UK whereby there was conventional policy thinking which stated UK can no longer compete in global markets based on low value-added production. This policy thinking is outspoken because of significantly lower labour costs in emerging

economies. They believe that low skilled, low waged employment will continue to decline and instead concentrate on higher-value markets where they have a comparative advantage. It supports the argument in this paper on why one should develop his skills.

However, this concept started to apply in emerging economy despite of assumptions that industry shifts to emerging economy due to its low skilled and low waged benefit. There has been Rapid economic development in China, India and other emerging economies which enabled them to compete for high value work.

These countries have been able to 'leapfrog' decades of technological developments in the West such as through the introduction of cellular mobile communications. This is giving companies greater flexibility in respect to their sourcing options in emerging economies (Brown et al, 2010).

The ability of developing countries to outperform developed countries during economic downturn has narrowed down the skill gap between east and west. This is supported by Abadie (2012) in his report that the developing world, led by China, India and Brazil has prospered, proving remarkably resilient even during the global economic downturn.

Additionally, Douglas et al (2008) stated that with economic activity in emerging markets growing at compounded rates of around 40%—as compared with 2% to 5% in the West and Japan—it's little wonder that many companies are pegging their prospects for growth to Brazil, Russia, India, and China (BRIC) and, increasingly, other developing nations.

However, to keep narrowing the skill gap between developed and developing countries, these developing countries will need an enormous enhancement of their human capital. It means a massive investment in education and training, increased talent planning within

companies, along with other measures designed to attract and retain both domestic and international talent (Abadie, 2012).

LITERATURE REVIEW

Politic and Economic Forces

The importance in shifting to knowledge based economy forces government to recruit and develop more skilled and well-trained knowledge workers to sustain in global economy. As a result, countries put huge investment that position education and skills at the heart of national competitive advantage. It is assumed that investment decisions will be determined by the quality of a nation's education and training as companies seek the best minds and the most skilled workers regardless of nationality.

Consequently, this drives large proportion of demands of the workforce with a university education and with access to lifelong learning opportunities has had a major impact on participation rates in tertiary education. This is indicated

by an increasing supply of highly educated workers, especially in China, which now has more people in higher education than the United States (Brown et al, 2010).

Accordingly, professional skills development is keep increasing because of country's policy to gain national competitive advantage. Referring to cases of developing countries like India, China, and Indonesia, most of these countries are racing towards infrastructure development.

For instance, Indonesian Government has endeavoured development of new roads, pipelines, ports, airports, schools, hospitals, housing and other vital infrastructure which embedded in long term roadmap. Therefore, in order to plan, build and maintain this infrastructure, developing nations like Indonesia will need millions of highly skilled workers, including civil engineers, electrical and mechanical engineers, architects, designers, surveyors and project managers. There is also increased need of low-to-medium skilled

workers, including technicians, drivers, labourers, construction workers and machine operators to smooth this development plan.

In developing professional skills, it is not limited to off the job training as it can be done at the workplace. Cedefop's European skills and jobs survey (ESJS) (2017) declared that about 45 % EU adult workers believe that their skills can either be better developed or utilized at work. To better encouraging the soft skills of citizen while eliminate the skill mismatch, Cedefop's research shows that the goal of reducing skills mismatches requires reforms to increase the responsiveness of education and training systems to labour market needs, such as enhancing work-based learning while striving to achieve a balance between skills and job needs is dependent on the provision of continuing vocational learning that goes hand in hand with skill-intensive jobs.

Apparently, it shows that the need to develop professional skills is important, both for political and

economic reason as well as for one to be able to be able to compete within the war of talents for recruitment purpose.

Globalisation Forces

Technological change, social, political, and economic developments which results on globalisation has driven the world towards a global village (Levitt, 1983). The creation of global village leaded firms to expand globally which result on forces to recruit more technical talents. As supported by Volberda (1998), expansion requires company to increase organization flexibility and skilled human capital that have soft and transferable skills.

In recruiting talents, one might argue if businesses nowadays are seeking more global skilled workforce. The argument above derived as the increased utilization of technology influence the increased mobility of individual, resulting on more educated people from rural area become renowned and create a boundary less career which make intense global competition (Banai

and Harry, 2004, p. 98). As supported by Castellano (2012) companies are expecting an increased need of global workforce, and they expect employees can fulfil that need.

Additionally, the heightened global competition and rise of transnational firm has altered the management development skill in firms. Most international businesses used to rely on training for preparing expatriate in host country compared to management development for global talent. Yet, nowadays management development programs are seen suitable for transnational firm to build a unifying corporate culture by socializing new managers into the norms and value systems of the firm as the need of companies to be more responsive in local demand (Hills &Requejo, 2010).

State Government of Victoria (2016) stated that it is important to be up-to-date in hard issues like admin and management areas including finance, sales, marketing, administration and staff management. However, there has

been arguments state that there are changes in demands for professional skills.

Management nowadays put more consideration on soft issues whereby skills are developed to be creative and deliver innovative product simultaneously instead of only concentrating of budget, manufacturing, finance, and other hard issue (Kedia&Mukherj, 1999). Besides, most companies nowadays put greater concern on employees' training and development activities as they are important in all businesses. They believe that by having proper and effective training and development that specific to the business, it will help the company to stand out the competitors by having excellent human capital.

The literatures show how globalization impact on high intense competition in global recruitment, as career is boundary less, competition is more intense which putting pressure to individual in developing professional skills and forces managers to develop their staffs (Emerton,2010). These proved how

globalisation factor counts for increased demand in professional skills.

Technology Forces

The increased technology and innovation has changed the need of professional skills (Kedia&Mukherj, 1999). Companies used to seek talent for absolute quality while nowadays they need individual skills with the requisite technical and specialist skills to deal with environment and social issue (Cheney et al,1990) This means companies nowadays require people who can apply new technology, developing network, building relationship, and contribute on achieving company's goals (Emerton, 2010).

Moreover, the growth of ICT industries also affects the demand of soft skills. From 2005 to 2015, employment for ICT professionals grew by one third. From 2015 to 2025, about 10% growth is expected, translating into some 400 thousand new jobs (Skills Panorama, 2106). ICT refers to

Information and communications technology (ICT).

According to Cedefop (2017), The 5 key skills for individuals who want to succeed as ICT professionals are advanced ICT skills, problem solving, moderate ICT skills, as well as learning and job-specific skills. These skills are part of soft skills (professional skills) which are sought by employers. This is supported by Skills Panorama Finding (2016) that increased demand for highly-skilled ICT professionals is shifting due to developments in technology and value chains. It will likely shift the balance from technical ICT skills to sector-specific knowledge and soft skills such as management and planning. Consequently, it is necessary to develop professional skills.

However, one might argue if the utilization of technology might reduce the demand for professional skill demand. As more automation nowadays, companies are no longer need more demand of professional skill and prefer machine which is

less efficient than human capital (Brynin, 2002). It is supported by article in Economist (2012) stated the demand of teller is decreased by the appearance of automated machine (ATM), Internet Banking, and Cash Deposit Machine. However, it could be argued that the demand for professional skills is still increased but require skills which are different from the past.

Social Forces

Furthermore, changing pattern of lifestyle and mass retirement of baby boomer has changed the nature of work and professional skills development (Emerton, 2010). Baby boomer generations, tend to have lifetime employment while nowadays people, classified as generation Y, tend to jump from one job to another job frequently compared to baby boomer's generation (Stone, 2005). Moreover, Oblinger&Oblinger (2005) identify the following characteristics as being typical for Generation Y: technology edgy, rapid multi-tasking, prefer to work in

teams, and concerned with developing skills.

Many managers believed they were in a 'war for talent', a competitive struggle to attract and retain 'top' talent central to their competition strategy which drive them to focus on attracting, retaining, and developing 'top talent' at the same time. Consequently, companies like Intel and BCG offer skills development program and variety of training to attract and retain more skilled worker from generation Y (Intel, 2013; Boston Consulting Group, 2013). This indicates the increased demand for professional skills development

Ethical Consideration

However, having professional skill should be accompanied by good ethical conduct, as it brings huge impact towards businesses. This argument is supported with the case of Nike. Nike had to re-examine its policies because of wave of demonstrations and consumers boycotts in Vietnam (Hills &Requejo, 2010). Consequently, Nike dropped its company image and

profit due to one-focus management in maximizing profit and neglecting others' stakeholders. By looking at the consequences of ethics and the increasing lobbying groups, companies nowadays are more aware of the importance of ethics.

However, being ethic is not easy thing, especially in a complex world that involves many considerations. One might argue on determining whether Nike had undertaken unethical conduct if culture differences taken into consideration. For instance, most western companies believe that it is harmful and against their rights to employ children, yet children usually contribute to family income in many cultures. If corporations simply refuse to hire them, these children may work in dangerous employment or risk starvation (Trevino and Brown, 2008). In this situation, one might argue if making decision against the ethical conduct may produce lesser harm and benefit others.

Business decisions are more complex and deciding on the most

ethical action is multifaceted. Consequently, it is necessary for CEOs and managers to look at the implication of its decision, as it might harm people and environment. Managers should act as leaders in a way that influence good manners, which means to cultivate honest and trustworthy in their personality because if the leaders show unethical conduct, subordinates may follow that attitude by reflecting to its manager (Trevano& Brown, 2008).

Referring to discussions above, it is prevalent that due to increased technology, social changes, and global competition, companies nowadays are seeking for soft skills which mean ability to adopt new technology, networking, able to solve complex issue in this volatile environment, and having ethical conduct. Therefore, individuals and managers continuously develop skills that will be used now and need in the future by variety of soft skills training and management development by considering ethical conduct.

CONCLUSION

In conclusion, the literatures show that dynamic global environment have influence the demand for professional skills, in terms of recruiting more skilled worker and employees who are highly initiative to develop their professional skill. Due to the increased demand of professional skills that continuously changed because of political and social forces as well as technology and innovation, it is necessary to improve professional skills at the workplace.

Additionally, the war of talent between west and east which heightened the competition between nations to develop their competitive advantage in terms of human capital development thus it is necessary for individual and company to develop professional skills.

REFERENCE

- Abadie, R (2012). *Gridlines: Closing the Talent Gap in the Emerging World*. UK:PWC
- Banai, M., & Harry, W. (2004). *Boundary less global careers: The international itinerants. International Studies of*

- Management and Organization*, 34(3), 96–120.
- Castellano (2012). *Going Global. American Society for Training and Development*. 15
- Cedefop (2016). Analytical Highlights ICT professionals: skills opportunities and challenges. *Skills Panorama*. Available from: http://skillspanorama.cedefop.europa.eu/en/analytical_highlights/ict-professionals-skills-opportunities-and-challenges [Accessed 31 May 2017]
- Cedefop (2017). *Assisting EU countries in skills matching* [online]. Available from: <http://www.cedefop.europa.eu/en/events-and-projects/projects/assisting-eu-countries-skills-matching> [Accessed 31 May 2017]
- Ready, D.A., Hill, L.A., and Conger, J.A. (2008). *Winning the Race for Talent in Emerging Markets*. Harvard Business Review [online]. Available from <https://hbr.org/2008/11/winning-the-race-for-talent-in-emerging-markets> [Accessed on 31 May 2017]
- El-Ansary, A., Zabriskie N.B., and Browning J.M. (1993). *Sales Teamwork: A dominant Strategy for Improving Salesforce Effectiveness*. *Journal of Business and Industrial Marketing*, Vol 8 no.3, 65-72
- Emerton, R. (2010). *The Global Talent Hunt. Business Strategy Review*. 79-83
- Hardingham, A. (1995). *Working in Teams*. London: Chartered Institute of Personnel and Development
- Hashim, N., Rashid, W.E.W., Othman, A.K., Hamzah M.I., and Sunai, F. (2012) *The Effect of Personality Traits on the Relationship between Organizational Conflict and Job Performance in Telecommunication Company*. Available from <http://www.ipedr.com/vol56/031-ICOSH2012-F10049.pdf> [Accessed 27 May 2017]
- Hill & Requejo (2011). *Global Business Today*. 7th ed. United States of America: McGraw-Hill/Irwin
- Kim, S. (2014). *The challenge of filling the skills gap in emerging economies*. *The Guardian*. [Online]. Available from <https://www.theguardian.com/sustainable-business/2014/oct/07/the-challenge-of-filling-the-skills-gap-in-emerging-economies> [Accessed 31 May 2017]
- Kolb, D.A. (1984). *Experiential Learning: Experience as the Source of Learning and Development*. New Jersey: Prentice Hall
- Kozlowski, S. W. J., & Ilgen, D.R. (2006). Enhancing the effectiveness of workgroups and teams. *Psychological*

- Science in the Public Interest*.7 :3, 77-124.
- Levitt, T. (1984).*The Globalization of markets* [e-books].Available from: lapres.net [Accessed 30 November, 2013]
- Lunenburg, F.C. (2010). *Group Decision Making: The Potential for Groupthink*.International Journal of Management, Business, and Administration. 13:1, 1-6
- Mughal, F &Zafar, A. (2011).*Experiential Learning from a Constructivist Perspective: Reconceptualising the KolbianCycle*.International Journal of Learning & Development. Vols.1 No.2
- Oblinger, D.G. &Oblinger, J. L. (2005) Corporate Educating the Net Generation [e-book], Available from :<http://net.educause.edu/ir/library/pdf/pub7101.pdf> [Accessed 10 December 2013].
- Poling,T., Woehr, D.J, Arciniega, L.M & Gorman,A. (n.d). *The Impact of Personality and Value Diversity on Team Performance*,pp 1-23
- Rose, J.D. (2011). *Diverse Perspective on the Groupthink Theory: A literature Review*. Emerging Leadership Journal, 4:1, pp 37-57
- Sange, Peter. (1990). *The Fifth Discipline: The Art and Practice of the Learning Organization*. New Zealand: Random House Business Books
- Trevin, L.K & Brown, M.E. (2004). Managing to be ethical: Debunking five business ethics myths. Academy of Management Executive, 18:2, 1-14. Available from :http://home.sandiego.edu/~pavett/docs/gsba532/mging_etic_debunk.pdf [Accessed 27 May 2017]
- Volberda, H. W. (1998). *Building the Flexible Firm: How to remain Competitive*. Oxford: Oxford University Press
- Vanderheyden,K., Lommelen, B. & Cools, E. (2010). *Cognitive Styles and Teamwork: Examining the Impact of Team Composition on Team Process and Outcomes*. Vlerick Leuven Gent Working Paper Series, 1-43
- State Government of Victoria. (2016). *Train and Develop Staff: Improve Productivity and Add Value to Your Business* [online]. Available from: <http://www.business.vic.gov.au/hiring-and-managing-staff/staff-management/staff-training-needs-analysis> [Accessed on 31 May 2017]
- Yahya, F.B &Kaur, A. (2010).Competition for Foreign Talent in Southeast Asia.*Journal of the Asia Pacific Economy*. 1 (15), 20-32